

CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION

STAFF REPORT

May 19, 2004

6. NEW BUSINESS

- 6.1 Consideration of Background Report and Work Program for the Mayfield Mall Precise Plan Revision

RECOMMENDATION

That the Environmental Planning Commission review the information in this report and make a recommendation to the City Council on the work program.

PUBLIC NOTIFICATION

Notices of this meeting were mailed to persons on the Mayfield Mall Precise Plan mailing list. In addition, the Commission's agenda is advertised on Channel 26 and the agenda and staff report are posted on the City's Internet home page.

ENVIRONMENTAL STATUS

This is an informational report only and is not subject to review under the California Environmental Quality Act (CEQA).

SUGGESTED MEETING PROCEDURE

Staff recommends the following meeting procedure:

1. Presentation of staff report
2. Questions and requests for clarifications from Commissioners about staff report
3. Public comment
4. Recommendation on work program

BACKGROUND ON PROJECT AREA

On April 19, 2004, Toll Brothers, Inc. submitted an application to revise the General Plan and the Mayfield Mall Precise Plan to allow redevelopment of a 27-acre Hewlett Packard office center at the intersection of San Antonio Road and Central Expressway (see map, Attachment

A). The application is for mixed residential and retail uses. On May 11, the City Council approved assigning staff to process the application under the City's "gatekeeper" ordinance..

Toll Brothers, Inc. is a residential developer with projects in the Northeast, the Mid-Atlantic region, several Western states and California. The firm is under contract to purchase the property from Hewlett Packard. A portion of the site—4.5 acres—is in Palo Alto.

This application has been anticipated for some time and the Council has held three study sessions since September 2003 to discuss the site and the review process. At this stage, the application is general in nature because the City Council has indicated in the study sessions that it wants a range of alternatives to be considered and for the neighborhood to be a part of the process.

The purpose of this report is to familiarize the Planning Commission with the site and to present a work program for reviewing the application.

The Site

Hewlett Packard has occupied the site since 1983. Before that, the buildings housed an indoor shopping mall, which is the origin of the Precise Plan label, "Mayfield Mall."

The 27 acres are divided among seven parcels (see map, Attachment B). Five parcels are owned by Hewlett Packard. One parcel of 8.4 acres, which is located in the center of the site, is jointly owned by Stanford University and a private party. HP has a contract to purchase the parcel by December, 2006 (or for the Toll Brothers to purchase it by then). The seventh parcel, part of which is in the Central Expressway right-of-way, is owned by the City of Mountain View. HP has indicated that the developer will likely purchase the portion of the parcel which is not in the right-of-way (0.4 acre) after planning approvals are received.

Two of the seven parcels, totaling 4.5 acres, are in Palo Alto. It is not clear why the City boundary was drawn where it was, except that it may relate to an earlier alignment of San Antonio Road.

All of the buildings are in Mountain View and some of the parking (including part of a raised parking deck) is in Palo Alto (see aerial photograph, Attachment C).

Development History

In May 1966, the Mountain View City Council approved development of the Mayfield Mall Shopping Center, one of the first enclosed shopping malls in California. The shopping center consisted of one large two-story building housing a J.C. Penney department store and a connected larger two-story building occupied by a variety of retail and service shops, including Cost Plus. There was also an auto repair facility on the west side of the site, which is now gone. In a separate brick building on the east side of Mayfield Avenue, there was a Greyhound and

Peerless Stage bus terminal and a Wells Fargo branch bank. The total floor area of all buildings was approximately 520,000 square feet.

According to a December, 1983, newspaper article, “Mayfield Mall fell victim to numerous ailments: competition, the inability to expand and tired-looking stores.” The competition came from Vallco Fashion Park, Sunnyvale Town Center, and the recent renovation of Stanford Shopping Center.

In the early 1980s, HP assumed control of the site and undertook a major renovation, converting the shopping center buildings to an office and research and development center. According to City files, the major issues at the time were the potential use of hazardous materials and traffic. Some residents opposed the conversion to offices, and there was a failed signature drive to referend the City Council’s approval of the Precise Plan changes that allowed the conversion.

In 2001, HP announced that it would be vacating and selling the site, and by early 2003, the buildings were no longer in use. Initially, HP received only one offer to reuse the existing buildings and that was from the Stanford Medical Center. Medical Center use would have required a Precise Plan amendment since medical offices are not a permitted use. Stanford subsequently withdrew its proposal, and HP returned to the other developers who had submitted proposals, all of which were residential developers. The selection of Toll Brothers was announced early in 2004.

Existing Zoning

The Mayfield Mall Precise Plan allows offices, research and development and light industrial uses “as generally allowed in the ML (Limited Industrial) zone district.” There are relatively few development standards, except that at least 20 percent of the site must be landscaped and there must be “appropriate screening of adjacent residential properties...” The Precise Plan would allow an increase in floor area from 520,000 square feet to 650,000 square feet (from 0.43 FAR to 0.60 FAR¹).

The zoning for most of the land in Palo Alto is also light industrial (LM), although there is a small area with residential zoning at 30 units per acre.. Housing is allowed in the LM zone in Palo Alto at a density of up to 30 units per acre. Palo Alto does not use the Precise Plan zoning tool. It is anticipated that the developers will not seek to rezone the Palo Alto portion of the site.

General Plan and Housing Element

The current General Plan designation of the site is Industrial Park. In 1990, and again in 2001-2002, the portion of the site which is east of Mayfield Avenue was considered for rezoning to housing as a part of the Housing Element update process. In 2001, the building in this five-acre area was occupied by HP and a Wells Fargo ATM. A large part of the acreage was in parking.

¹ Floor Area Ratio (the ratio of the square footage of the building to the square footage of the site).

Under State Housing Element guidelines, the City is required to identify sufficient property zoned for residential to enable the City to meet its “fair share” of the regional housing need. In 2001, the City reviewed all underdeveloped sites and other sites in the City that might be likely candidates for redevelopment to housing. The five-acre area was identified as one of several potential housing sites.

The Environmental Planning Commission proposed that this area be rezoned to R3-1, which would generate about 166 multiple-family housing units. However, there was strong neighborhood opposition, and, as a result, the Commission reduced the recommended density to R3-1.5 (about 112 units). Higher density multiple-family zoning was recommended because of the site’s proximity to transit (the San Antonio Caltrain Station) and because it has direct access to major streets.

Many residents in the Monta Loma neighborhood remained strongly opposed to multiple-family housing, especially at higher densities, and the Commission and Council received numerous letters, e-mails and a petition signed by 200 people. When the Council considered the Draft Housing Element in December 2001, HP had just announced that it would be vacating the entire site. Considering neighborhood opposition to the higher-density zoning, as well as the potential for a more comprehensive redevelopment of the larger site, the Council decided to remove the site from the Housing Element list, deferring a decision on rezoning until HP had clarified its intent for future use of the property. In lieu of the listing Mayfield Mall as a potential housing site, an alternative Action was added to the Housing Element: “Revise the Mayfield Mall Precise Plan to allow for housing and other uses if redevelopment is initiated by the property owner.”

City Council Study Sessions

The first two City Council study sessions on the Mayfield Mall Precise Plan occurred in September and October, 2003, before HP had selected a developer. They focused on the process for amending the Precise Plan, and more specifically, whether the City or the potential developer should take the lead. By the third study session, in March 2004, Toll Brothers had been selected, and the focus of that meeting was on getting acquainted. At that point, it had been determined that the developer would initiate the process but that the City would play a significant role in developing basic concepts to ensure that the Precise Plan reflected community goals.

No decisions were made at these meetings. However, when presented with a broad list of potential uses, individual Councilmembers spoke in favor of residential, several specifically supporting higher densities and affordable housing, with some commercial uses. Councilmembers suggested a plan with lower density residential or a public park next to the existing neighborhood, with densities rising closer to Central Expressway. The importance of neighborhood participation, the need to address fiscal impacts, pedestrian access to the Caltrain station and tree protection were also emphasized. (see Attachments D and E, City Council Study Session Minutes, October 28, 2003 and March 23, 2004)

Planning Issues

The 2002 Housing Element review identified a number of issues concerning potential redevelopment of the five-acre site that would also apply to larger-scale redevelopment. An Initial Study conducted for this site found that there could be:

- Potential traffic impacts at the Central Expressway/Rengstorff Avenue intersection and possibly at San Antonio Road intersections.
- Noise impacts from Caltrain.
- Potential archaeological impacts (the Castro Mound, an Indian midden and burial site, was located in the vicinity, but the site has already been greatly disturbed, and it appears unlikely archaeological resources will be found in the area).

Other issues raised by the neighborhood at that time included:

- Potential school impacts.
- Potential impacts on parks and open space.

The Monta Loma Neighborhood Association also conducted a survey of its members in October 2003 to find out preferences for the use of the site, as well as concerns. A neighborhood park and single-family residences topped the list of preferred uses. Neighborhood traffic was the major concern with about eight other issues of about equal importance following that (see Attachment F).

BACKGROUND AND ANALYSIS OF WORK PROGRAM

Redevelopment of the Mayfield Mall site is an important community-wide issue. It is the largest redevelopment opportunity in Mountain View and it has the potential to produce many more housing units than any of the sites on the 2002 Housing Element list. In deciding to devote staff resources, which are very limited, to the Toll Brothers application on May 11, the Council gave this site priority over initiating the rezoning of Housing Element sites.

Mayfield is an infill site and a key objective will be integrating it into the fabric of the neighborhood around it. The Monta Loma neighborhood has already been very active in seeking to be involved in the process. The adjacent Palo Alto neighborhood is expected to also want to be involved, since part of the site is in Palo Alto. Mountain View and Palo Alto staff have held several meetings to discuss process.

Staff has developed a Draft Work Program that will lead to approval of an Environmental Impact Report, a revised Precise Plan and the development project in 21 months (completion by March

2006). Staff has also developed an Alternate Work Program which would complete the process in 18-19 months (by December 2005 or January 2006). The differences are discussed below.

It needs to be strongly emphasized that both schedules are very ambitious and both depend on Toll Brothers, Inc. submitting complete applications, and revisions as needed, in a timely manner.

The proposed work program and Alternate work program do not include the Palo Alto process. However, the Palo Alto planning staff will be adding their process to the work program. Palo Alto staff anticipates that the EIR to be certified by the Mountain View City Council can be used for review of the development in Palo Alto, as well, provided Palo Alto's concerns and issues are addressed.

Draft Work Program

This work program is based on steady progress, starting with neighborhood input in framing the objectives and development alternatives for the site (Phase 1), preparation of a Precise Plan that reflects those objectives (Phase 2), and, finally, approval of a specific development project (Phase 3). The latter two phases partially overlap.

Phase 1 would be a series of 2-3 neighborhood/stakeholder meetings to review alternative development scenarios, reflecting various mixes of uses, densities and layout. This phase would conclude with the Council's informal acceptance of several alternatives to be reviewed in the Environmental Impact Report (EIR). One alternative would be the "Preferred Project," a term used in EIRs. (June to November 2004)

Phase 2 would be preparation of the revised Precise Plan based on the Preferred Project and preparation of the Environmental Impact Report. The process for preparing and reviewing the EIR is strictly defined by the State CEQA Guidelines and is expected to take six months. The EIR consultant, once selected, would refine the schedule. Concurrently, the City's Development Review Committee would begin informal review of the Preferred Project. This phase would conclude with City Council approval of the Precise Plan and EIR (December, 2004 to October, 2005).

Phase 3 would be review and approval of the Planned Community Permit (PCP) for the Preferred Project, which is the specific development project. As noted, informal review of the PCP can begin early in Phase 2, but, under zoning ordinance regulations, the applicant cannot submit a formal application for the PCP until after the Commission has made a recommendation on the Precise Plan. This phase would conclude with City Council approval of the PCP (August, 2005 to March, 2006).

Under this work program, which is preferred by staff, the Council would be approving the basic zoning and policies for the site (the Precise Plan) before the developer makes a significant investment in finalizing the design for the project (the PCP).

Alternate Work Program

The Alternate Work Program reflects the developers' desire for a faster review process. It is more streamlined and would reduce the approval process by two to three months. The process is more developer-driven and there will only be one City-sponsored neighborhood meeting. (There would be other neighborhood meetings later, as with the Proposed Work Program.) Phases 2 and 3 will overlap even more. Rather than the City Council approving the Precise Plan first (Phase 2) and then the PCP five months later (Phase 3), the approvals of both will occur simultaneously.

There is some risk to the developer in following the Alternate Work Program in that the Toll Brothers could invest significant money and effort into final details of the PCP without knowing whether the City Council agrees with the basic concepts in the Precise Plan. Under the Alternate Work Program, the Council would be approving the Precise Plan at the same time it is approving the specific project.

Consultants

The staff assigned to processing this very large application will be a combination of regular staff planners and contract planners. In addition, there will be consultants to prepare the EIR, as well as an urban design consultant to assist staff in reviewing alternatives and in developing standards for the Precise Plan (similar to the process used for the Downtown Precise Plan). A fiscal consultant will also be needed to prepare an analysis as required under the City's "gatekeeper" ordinance. Under the City's cost recovery policy, all of these costs will be borne by the developer.

CONCLUSION

As noted above, staff prefers the 21-month work program (ending in March, 2006). This work program is similar to that used for Whisman Station, although the Mayfield process would move faster because there is a single developer and the City has had more lead time to prepare for the application. The Mayfield site is a significant opportunity for the City, and staff will make its best effort to keep the project on schedule, whether the Draft Work Program or the Alternate Work Program is recommended.

Prepared by:

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Senior Planner

Attachments: A—Map of Mayfield Mall Precise Plan area
B—Assessor's Parcel Map
C—Aerial photo
D—Minutes of City Council Study Session, October 28, 2003
E—Minutes of City Council Study Session, March 23, 2004
F—Monta Loma Neighborhood Association Survey Results
G—Proposed Work Program
H—Alternate Work Program

cc: Kelly Snider, Rick Nelson, Jim Meek, Toll Brothers, Inc.
Roland Rivera, City of Palo Alto
Nolamae McBain, Monta Loma Neighborhood Association

CATEGORY: Environmental Planning Commission
DOCUMENT TYPE: Staff Report
DATE: May 19, 2004
DEPARTMENT: Community Development
DOCUMENT TITLE: EPC Staff Report Item 6.1-May 19, 2004

Mayfield Mall Precise Plan Revision
Proposed Work Program
May 11, 2004
This Draft Does Not Include Palo Alto Process

Month	Milestone	Date	Task or Event
		2004	
		By April 19, 2004	Developer submits application for General Plan and Precise Plan amendments
		May 11	City Council gatekeeper review
		Week of May 17	Prepare contract with developer for cost recovery
		May 19	EPC reviews background information and recommends work program
		Week of May 24	Begin process of identifying urban design consultant and preparing contracts
0		JUNE	
	Work program approved	By June 8	City Council approves work program
		Week of June 21	1 st neighborhood/stakeholder meeting
1		JULY	
		By July 1	Send out RFPs to EIR and fiscal consultants
		July 22 or 29	2 nd neighborhood/stakeholder meeting to review alternatives
		By July 29	Select EIR and fiscal consultants
2		AUGUST	
		August 5	Possible 3 rd meeting with other stakeholders to review alternatives
		By August 20	Finalize contracts with EIR and fiscal consultants
3		SEPTEMBER	
		By September 16	DRC presented with background information and proposed alternatives
		By September 17	EIR and fiscal consultants provide staff with preliminary trip generation and fiscal information for each alternative
4		OCTOBER	
		October	EPC review and recommendation on alternatives
	DRC begins informal review	October	DRC begins informally reviewing developer's preferred project (PCP) and alternatives

Month	Milestone	Date	Task or Event
5		NOVEMBER	
	Phase 1 ends Council approves alternatives	November	City Council informal approval of alternatives (study session)
6		DECEMBER	
		December	Staff begins drafting Precise Plan
		By December 15	Community Scoping meeting for EIR
2005			
7		JANUARY	
		By January 15	Staff completes project description for EIR
8		FEBRUARY	
	EIR process begins	By February 1	Notice of Preparation for EIR sent out*
		By February 15	Staff completes first draft of Precise Plan for internal review
		February	EIR being drafted by consultants and informal DRC review continues
9		MARCH	
		By March 1	Traffic consultant submits 1 st draft of traffic study for staff review*
		March	EIR being drafted by consultants and informal DRC review continues
10		APRIL	
		By April 1	Neighborhood meeting to present status report on design of "Preferred Project," based on DRC review to date
		By April 15	Consultants complete 1 st Administrative Draft*
11		MAY	
		By May 10	Staff provides comments to EIR consultants; include Palo Alto comments*
		By May 31	Consultants submit 2 nd Administrative Draft*
12		JUNE	
		By June 21	Staff provides comments on 2 nd Draft to EIR consultants; include Palo Alto comments*
13		JULY	
	Draft EIR completed	July	EIR completed; public review period begins* EPC begins public hearings on EIR and Precise Plan
14		AUGUST	

Month	Milestone	Date	Task or Event
	EPC recommends; Formal PCP can be submitted	August	EPC recommends re: EIR and Precise Plan; Toll Brothers submits <u>complete</u> formal application for Planned Community Permit**
15		SEPTEMBER	
		September	City Council study session and public hearing on FEIR and Precise Plan
16		OCTOBER	
	Phase 2 ends Council acts on Precise Plan and EIR	October	City Council takes final action on FEIR and Precise Plan; Begin formal DRC review of Planned Community Permit (PCP) allowing for 3-4 meetings over two months
		By October 31	Neighborhood meeting to present status report on PCP
17		NOVEMBER	
		November	Continue formal DRC review of PCP; Toll submits subdivision for review
18		DECEMBER	
			Zoning Administrator hearing on PCP (possibly 2 hearing over 2 months)
		2006	
19		JANUARY	
		January	Final Zoning Administrator hearing
20		FEBRUARY	
			Set date for Council public hearing
21		MARCH	
	Phase 3 ends Council acts on PCP	March	City Council approval of Planned Community Permit, subdivision, etc.

* Dates for completing various steps in EIR process subject to change after EIR consultant is on board.

** It may be necessary to do a separate environmental review, tiering off the EIR, if the proposed project includes features not reviewed in the EIR. The review would be focused on the changes and would follow the approval process for the PCP.

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DOCUMENT TYPE: Staff Report

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DOCUMENT TITLE: EPC Staff Report Item 6.1 Attachmt G-May 19, 2004

Mayfield Mall Precise Plan Revision
ALTERNATE Draft Work Program
(Precise Plan and PCP approved at same time)
May 11, 2004

This Draft Does Not Include Palo Alto Process

Month	Milestone	Date	Task or Event
		2004	
		By April 19, 2004	Developer submits application for General Plan and Precise Plan amendments
		May 11	City Council gatekeeper review
		Week of May 17	Prepare contract with developer for cost recovery
		May 19	EPC reviews background information and recommends work program
		Week of May 24	Begin process of identifying urban design consultant and preparing contracts
0		JUNE	
	Work program approved	By June 8	City Council approves work program
1		JULY	
		By July 1	Send out RFPs to EIR and fiscal consultants
		Week of July 12	Neighborhood/stakeholder meeting to review proposed project and alternatives
		By July 29	Select EIR and fiscal consultants
2		AUGUST	
		By August 20	Finalize contracts with EIR and fiscal consultants
3		SEPTEMBER	
		By September 16	DRC presented with background information and proposed alternatives
		By September 17	EIR and fiscal consultants provide staff with preliminary trip generation and fiscal information for each alternative
4		OCTOBER	
		October	EPC review and recommendation on alternatives
	DRC begins informal review	October	DRC begins informally reviewing developer's Preferred Project and alternatives
5		NOVEMBER	
	<u>Phase 1 ends</u> Council approves alternatives	November	City Council informal approval of alternatives (study session)

Month	Milestone	Date	Task or Event
		November	Staff begins drafting Precise Plan; informal DRC review continues
6		DECEMBER	
		By December 15	Community Scoping meeting for EIR
		2005	
7		JANUARY	
		By January 15	Staff completes project description for EIR based on work to date on Precise Plan and Preferred Project and alternatives; DRC review continues
		January	Informal DRC review continues
8		FEBRUARY	
	EIR process begins	By February 1	Notice of Preparation for EIR sent out*
		By February 15	Staff completes first draft of Precise Plan for internal review
		February	EIR being drafted by consultants and informal DRC review continues
9		MARCH	
		By March 1	Traffic consultant submits 1 st draft of traffic study for staff review*
		March	EIR being drafted by consultants and informal DRC review continues
10		APRIL	
		By April 1	Neighborhood meeting to present status report on design of Preferred Project, based on DRC review to date
		By April 15	Consultants complete 1 st Administrative Draft*
		April	Informal DRC review continues
11		MAY	
		By May 10	Staff provides comments to EIR consultants; include Palo Alto comments
		By May 31	Consultants submit 2 nd Administrative Draft*
			Informal DRC review continues
12		JUNE	
		By June 21	Staff provides comments on 2 nd Draft to EIR consultants; include Palo Alto comments
		June	Informal DRC review continues
13		JULY	
		July	EIR completed; public review period begins* EPC begins public hearings on DEIR and Precise Plan; Informal DRC review continues

Month	Milestone	Date	Task or Event
14		AUGUST	
	EPC recommends; Formal PCP can be submitted	August	EPC recommends re: EIR and Precise Plan; Toll Brothers submits <u>complete</u> formal application for Planned Community Permit (PCP)
15		SEPTEMBER	
		September	City Council study session to review status of Precise Plan and DEIR; possible neighborhood meeting; Begin formal DRC review of PCP allowing for 3-4 meetings over two months
16		OCTOBER	
		October	Continue formal DRC review of PCP; Toll submits subdivision for review
17		NOVEMBER	
		November	Zoning Administrator hearing on PCP (possibly 2 hearing over 2 months)
18		NOVEMBER/DECEMBER	
		December	Final Zoning Administrator hearing; Set date for public hearing
		2006	
		DECEMBER/JANUARY	
	<u>Phases 2 and 3 end</u> Council acts on FEIR, Precise Plan, PCP, etc.		City Council approval of FEIR, Precise Plan, Planned Community Permit, subdivision, etc.

* Dates for completing various steps in EIR process subject to change after EIR consultant is on board.

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